

Hungry Horse County Water and Sewer District Directors' Special Meeting
Tuesday, 28 May 2020
Minutes

Directors in attendance: President Doug Wagner (Pres.), CFO Jamie Foster (CFO), Vice President and Parliamentarian Vivian Allen (VPP). No absentees.

General Manager/Operator (GMO) Ben Shafer and Bookkeeper (BK) Judy Rosenbaum, also present.

Public: Mr. Walter Rowntree, Mr. Craig Skinner and Mr. Timothy McNeme were present.

Mr. Rowntree came to give input to the current board based on his experience with the past Board.

*See Endnote 1.

Mr. Rowntree gave his comment prior to the call to order.

Mr. R. returned the HHWD check for \$84 for his purchase of 7 water "bibles" for the board and staff members. He stated it was not proper for him to accept it and would give the specific reasons if anyone so wished.

Mr. R. had been trying to locate documents which would provide the board with guidance on by-laws. The county had 8 documents (but no bylaws) which they sent to him for \$10 and which he here delivered to the BK who downloaded them on her laptop.

Mr. R. stated he had suggested to the President that the Board "take a couple notes on a certain thing today" and the President can tell Mr. R. if he considers it important.

Mr. R. stated that since there was at least at some time some question about what date the new board members are seated, it may be good to re-vote on everything at the last meeting to be sure those votes are official. Everyone knows that the 3 new directors are seated board members at this meeting.

Director Wagner: There was no question that the 3 new directors were seated board members at the last meeting.

Mr. R.: There may be a different board in ten years which would look at it and if they see they voted it at that meeting but they also re-voted it at the meeting later so it's valid whichever meeting they voted it at. Mr. R. says since it is not yet after the 1st June, he doesn't know but what it should perhaps be done at that meeting vs. the present one. *See Endnote 2.

Mr. R.: A screaming priority is getting by-laws written, e.g., what is a quorum and passing number of votes—goes into some elaboration on numbers for these as examples.

Mr. R: A huge priority in by-laws is a procedure for a board to fill and empty seats. There are currently 3 directors, and if one of them dies or is abducted there is no quorum, which Mr. R. says would mean having to wait until the next election to get any board business done.

*See Endnote 3.

Mr. R. leaves meeting.

Mr. Skinner came at invitation of Director Allen as a possible new director to fill an empty seat. Mr. Skinner is a past Director.

Mr. Craig Skinner: He is not committing to a position on the board; he's been through this before; health is part of the reason why he eventually left the board.

Meeting called to order at 5:59pm.

Seconded.

D. Wagner: D. Allen had an agenda which was posted. How to proceed with it?

D. Allen: Appoint a Chair Pro Tem, and it looks like the (digital) recorder* See Endnote 4, may be the Sec Pro Tem unless there is someone else at meeting qualified to do that.* See Endnote 5.

D. Wagner: Difference between Pres. Pro Tem and VP?

D. Allen: Pro Tem is until the board gets to nominations, someone to run the meeting.

D. Wagner: Want me to volunteer?

D. Allen: Thank you.

Election of D. Wagner to Chairman Pro Tem carries

RESOLVED: D. Wagner is appointed Chariman Pro Tem.

Skip over agenda item: Secretary Pro Tem—has to be the (digital) recorder at this meeting

Chair: Public comment?

Mr. Skinner: Who was the previous speaker here?

Discussion re Mr. Rowntree, who had been a "director" since Jan but at the 5 May 2020 candidated election he did not get the votes. After the election the Water District President Rippe resigned and another incumbent member, Director Kimberly Hebert resigned, so there are now two seats available.

Mr. Skinner: Is just observing, possibly considering asking to be part of the board again—interested, maybe, some things he needs to know before he makes a decision. A large factor is that it is very difficult for him to do anything after 4 or 5 o'clock due to health issues. He is 75. Mr. Skinner will see how it goes.

Chair: Thank you. Procedural Motion.

D. Allen reads and moves the adoption of the Procedural Motion (attached).

Chair: Do we need a second or is there discussion first.

D. Allen: Does not believe a second is needed in a small meeting (*Robert's Rules*), as a vote pretty much takes care of that. Discussion is in order.

GMO: #6, involving significant financial action; needs to understand what board understands to be significant. Meter pit that needs to be replaced?

BK: Or something that needs to be done in an emergency?

D. Allen: The Procedural Motion is simply recommendations brought to the floor; in the regular course of GMO duties, GMO and BK will do what they normally do as a responsible manager and bookkeeper; board doesn't require permission that they do something that is already under their purview; this motion addresses board business procedure, e.g., if the board is deciding to bring in the telemetry.

More discussion clarifying that motion relates to meeting procedure vs. governing of the manager or bookkeeper's operations.

Chair: Item 10—we are not currently sending in anything to county commissioners that is known about.

BK: Doesn't know if Ms. Wheeler, former secretary/director did that, but the Water District (WD) is required to do so.

D. Allen: Recollects reading it in MCA.

BK: Minutes do need to be filed.

Director Foster: What does county do with the minutes—are they on internet, in a county record?

BK: Thinks so, but county doesn't post everything; county commissioner records are always posted. Even if filed with county are not necessarily posted on county website.

D. Foster: Likes that at one time county posted at least some of them. Question is how to cause it to happen again.

D. Foster: Re Procedural Motion: starting somewhere is great.

Procedural Motion carries.

RESOLVED: To adopt the attached Procedural Motion.

Chair: Recognizes new member of the public who arrives. Who are you?

Public: Timothy McNeme; just here to have fun. This is my interest.

Chair: Meeting Etiquette.

D. Allen: Thoughts to help the board get rolling in the right direction: gives Meeting Etiquette presentation (attached).

Chair: Comments, questions, discussion?

Chair: Re quorum, if someone is here electronically, that counts, but not by proxy.

D. Allen: Yes. Have to have physical presence one way or the other.

D. Foster: If they are electronically at the meeting, or at the table rather than proxy.

D. Allen: Correct.

D. Foster: So the proxy vote can still be counted if there's a quorum.

D. Allen: Say there's some important decision someone wants to have their vote in on and can't make it to the meeting, then they can give the proxy to someone who will be attending and they make sure that the vote is counted.

D. Foster: If there are two people at the table and one on a Zoom meeting and then we have a proxy vote from a board member, all four of those votes can count and that is a quorum.

D. Allen: Yes.

Chair: No further action on the Etiquette—that was just informational?

D. Allen: Unless someone wants to adopt it into the record.

Chair: The minutes.

D. Allen: Yes. Moves that the Meeting Etiquette presentation be officially adopted into the board minutes as records from tonight's meeting.

Motion carries.

RESOLVED: That the Meeting Etiquette presentation be officially adopted into the board minutes as records of the 28 May 2020 Board of Directors' meeting.

Chair: Nominations and elections of officers. Nominations for President are open. Are there any nominations?

D. Allen: Nominates Doug Wagner for President.* See Endnote 6.

Chair: Are there any other nominations for President? Pause. Seeing none, nominations for President are closed. All in favor of Doug Wagner for President?

Election of Director Doug Wagner to President of the Board of Directors carries.

RESOLVED: That Doug Wagner is elected President of the HHWD Board of Directors.

President: Nominations for Vice President? Are there any volunteers? D. Allen, you volunteered last time.

D. Allen: Will volunteer again.

President: Any other nominations for Vice President? Pause. Seeing none, all those in favor of D. Allen being VP say aye.

Election of Director Vivian Allan to Vice President of the Board of Directors carries.

RESOLVED: That Vivian Allen is elected Vice President of the HHWD Board of Directors.

President: Nominations for CFO, our financial committee member wizard. Nominations for CFO?

VP: Nominates D. Foster—impressed with her numbers acumen.

President: Any other nominations for CFO? Seeing none, all those in favor of D. Foster being the board's financial wizard, say aye.

VP: Point of clarification: This does not take the place of the bookkeeper.

Election of Director Jamie Foster to Chief Financial Officer of the Board of Directors carries.

RESOLVED: That Jamie Foster is elected Chief Financial Officer of the HHWD Board of Directors.

President: Any other offices to fill? Hope board doesn't have the cart ahead of the horse; we have two board member openings.

VP: Yes. When board has two more board members, it could if desired, re-hold elections, because of the current problem being faced with coming on board.

President: Any further nominations? Seeing none, move nominations be closed.

Motion carries.

RESOLVED: Nominations be closed.

President: Next item, read minutes and approve. We don't have any minutes, do we. Skip that. Consideration for Secretary Pro Tem (SPT).

VP: Point of info, Board has no SPT other than the Board's digital recorder so suggests passing on that until such time as the Board has a physical person.

President: Recording Secretary search. Anybody have anyone they know thus far who would love to be the secretary?

Mr. Skinner: He will talk to his wife, Linn. She didn't come because she doesn't feel she has the expertise to be part of something like this.

GMO: If board is out recruiting it may be helpful to know if they will be receiving some sort of compensation other than valued community service. It would be easier to sell to a couple people GMO knows.

CFO: If someone couldn't be here every time to record that, if the recorder works then it's possible they can type up minutes after the fact. We know it's going to be a little better money than the Coram secretary is paid.* See Endnote 7.

Discussion that job description is necessary. Setting the agenda as well as recording minutes. BK is like a corresponding secretary, the minutes would be a recording secretary function and there is additionally a program secretary function—takes care of making meetings smooth, paperwork, handing it out. Typically the 3 roles are filled by one person. Is there a job description already someone else is using that the Board could use? Probably just minutes and agendas? Coram has no written secretary job description. Other matters involved would include elections. BK has some info she can share at the next meeting though it won't be the full package.

VP: Once there is a job description and set compensation, Mrs. Skinner may be interested in applying for it; Montana Code Annotated (MCA) says it's a paid position; Mrs. Skinner seems like a conscientious person tho' VP's contact has been minimal.

Mr. Skinner: Very conscientious, very intelligent.

No more discussion.

President: Item 10, new directors search. We have one potential. Keep ear out for anyone who has an interest.

VP: Would board want to discuss putting the openings on the next water bill?

Discussion re logistics of putting it on the water bills—it can be put on the back. Next bill goes out 23d June.

VP: Moves search for directors and secretary be continued, and if there are no people lined up close to June 23d, that BK puts a notice on the water bill with wording as follows: "Your new water board is looking for two new directors and a secretary. Secretary is a paid position. Seeking conscientious and dedicated individuals. Please contact Doug Wagner at 387-5535."

Motion carries.

RESOLVED: That the Board's search for directors and secretary be continued, and if there are no people lined up close to June 23d, that BK puts a notice on the water bill with wording as follows: "Your new water board is looking for two new directors and a secretary. Secretary is a paid position.

Seeking conscientious and dedicated individuals. Please contact Doug Wagner at 387-5535.”

Further discussion: Before phone rings, needs to know how much board is paying and have job description in hand. Next meeting 18 June, will be before bills go out.

President: Bank account signatures.

Discussion: No minutes yet from Ms. Wheeler. CFO has checked with Glacier Bank (GB) and Whitefish Credit Union (WFCU), just bring minutes and IDs.

VP: Moves that, as Mr. Rippe and Ms. Hebert are no longer with the Board that they and all former board members be removed from both Water District bank accounts and that new signators be placed on both those accounts (GB account 050038104 and WFCU account 0000384750) Signators added: Douglas Wagner, Vivian Allen, Jamie Foster. Signators removed: John Rippe, Diane Mundell, Anne Wheeler, Kimberly Hebert and Walter Rowntree.

President: Mr. Rowntree suggested directly to D. Wagner for the board to officially accept the resignation of the other two board members—they don't want to be on the acct or can't be.

CFO: Banks said to be really specific in the minutes. Definitely need to name banks, people, account numbers.

Motion carries:

RESOLVED: That, as Mr. Rippe and Ms. Hebert are no longer with the Board, that they and all former board members be removed from both Hungry Horse Water and Sewer District bank accounts and that new signators be placed on both those accounts (GB account 050038104 and WFCU account 0000384750). Signators to be added: Douglas Wagner, Vivian Allen, Jamie Foster. Signators to be removed: John Rippe, Diane Mundell, Anne Wheeler, Kimberly Hebert and Walter Rowntree.

VP: Moves the acceptance of the two resignation from Mr. Rippe and Ms. Hebert.

Motion carries.

RESOLVED: The Board accepts the two resignation of Mr. Rippe and Ms. Hebert, effective 19 May 2020 and 20 May 2020 respectively.

President: Board will write up minutes as soon as they are retrieved from the digital recorder—somebody? Recording serves to substitute for Ms. W's minutes in case they don't show up in time. Be sure we can pay bills at next meeting.* See Endnote 8.

BK is not on the account and cannot (and should not) do anything with it.

President: 13. Bonding. Directors, administrative personnel.

VP: Added another agenda item prior to Bonding. Status of letters of appreciation for former board members.

CFO: Did handwritten notes for Mr. Rippe, Mr. Rowntree, Ms. Hebert, and Ms. Mundell, each one a little different. Can be signed by others wishing to.

VP: Moves they be signed immediately.

Motion carries by consensus.

Notes are signed by President and VP (are already signed by the CFO); GMO and BK decline to sign them.

Mr. Skinner: He would be kind of persuaded to be part of the team if it was at a different time of the day. Evenings are very difficult for him physically. He will definitely talk to Mrs. Skinner about the secretary position.

President: Will be taken under advisement whether can change the time or not.

Mr. Skinner: Realizes meetings almost have to take place in the evening, when people are able to come. He will give it really close consideration. He is going to take his leave and does so, with thanks from the directors for attending.

President: Is BK bonded, insured?

BK: No.

President: Not required? Codes? County?

BK: No.

President: Directors aren't required to be bonded?

BK: Not to her knowledge.

VP: Moves GMO look into bonding, pros and cons, what would be involved with that for employees and board of directors.

Motion is still on the table—unfinished business.

CFO: One of the bylaws she found on the internet has an Indemnification Article for board members, and officers not employees of the district (if they conducted themselves in good faith), HHWD may want to put this kind of language into its by-laws.

BK: Where bonding comes in is where someone hasn't acted in good faith.

President: So, it's after the fact?

BK: BK has never been bonded but that is her understanding. Basically, it is full credit and background checks, that type of thing. Insurance is basically what it is.

CFO called about getting bonded at one time and it wasn't that expensive---\$240 for a million or two of coverage. For if someone makes a mistake. So the board is not (indistinct)...went along with liability.

President: Appoint standing committees for rules and policies.

VP: Moves that once there is a full board, a standing rules and policies committee be appointed to work on bringing a set of internal policies and procedures to the board for consideration and adoption by the board, and to eventually formulate a complete manual of rules, policies and procedures, to include by-laws, and that this committee be the referral point for questions of proper procedure. Further moved that that committee would report monthly to the board while in active operation. Further moved the above committee will look through the updated Rules and Regulations to suggest changes to the board, with input from the GMO.

CFO: Suggest quarterly reporting after it is in place, so that it's not on the agenda at every meeting unless something comes up outside the quarterly schedule.

VP: Substitutes the word "quarterly" for "monthly" in the motion.

President: All comfortable with 3 motions in one? All in favor?

Motions carry.

RESOLVED: That once there is a full board, a standing rules and policies committee be appointed to work on bringing a set of internal policies and procedures to the board for consideration and adoption by the board, and to eventually formulate a complete manual of rules, policies and procedures, to include by-laws, and that this committee be the referral point for questions of proper procedure. Further moved that that committee would report quarterly to the board while in active operation. Further moved the above committee will look through the updated Rules and Regulations to suggest changes to the board, with input from the GMO.

President: County attorney role in assisting water district. Believes they don't have any.

BK: Understands that also, from a prior conversation with them re what the water district's liability with a shack (out by the gravel pit) would be, and got an unceremoniously cold response: the county atty does not represent us and they do not assist the WD.

GMO: The same sentiment when he was referred to cty atty by Montana Rural Water circuit rider Bobbi—while MCA says they are supposed to help and represent the cty WD, they won't take up a WD cause.

President: Agrees he has received the same in his experience. If WD needs legal help WD must find its own atty, retain or hire them case by case.

VP: Moves that the GMO would see if he can get the county attorney to put that in writing for the WD to include in its policies and procedures manual. So that it is in black and white.

CFO: That they are not available to help us.

BK: Believes should be in by-laws instead of rules and regs.

President: Any other discussion? Good to go?

Motion carries by consensus.

RESOLVED: That the GMO would see if he can get the county attorney to put their role and responsibility toward the WD in writing for the WD to include in its policies and procedures manual.

President: Rules and Regs updates, minutes and records uploads.

VP: Moves that the GMO bring all rules and regulations up to date (this would mean going through the minutes) and provide each board member and the secretary with a revised copy prior to the June meeting, and that the revised and updated copy be adopted at the June meeting, with the President and Secretary having *post facto* authority to correct obvious errors brought to their attention.

There are some wrong section numbers, etc., in the current copy.

CFO: When were the rules and regs we have last updated?

VP: Feb 2018.

CFO: So if anything has been changed in them, voted at meetings, is what needs to be updated?

VP: Yes.

GMO: While the last revision was published in 2018 that was only to accommodate one rule and regulation policy; that was not a refresh or re-edit; the entirety of the rules and regs haven't been gone through in an awfully long time and the scope of that request is more than GMO can reasonably fulfill by the June meeting.

CFO: The time before that—there are two dates—was it done, does anyone know if they actually went thru past and updated it? Or if it's forever ago?

GMO: The rules and regs have not been reviewed in their entirety with any specificity in at least the last ten years, no twelve years from when GMO jointed the board. The updates were targeted.* See Endnote 9.

President: Whew!

CFO: Do you recall things, have you been told things different that aren't in the rules and regs like that, that were voted on at meetings?

President: Policy changes.

CFO: Yes, that are like—don't do it that way, do it this way, but there wasn't actually a..."

GMO: Does not recollect any directives from the Board that were given him or that he's undertaken that were against—not(?) in the rules and regs.

CFO: To clarify, was there ever a point where they voted to change a policy, wanted him to start doing it this way, but then didn't update and needs to be updated now?

GMO: Long silence. GMO is not really sure.

CFO: Board would need to know where at some date the Board decided to do something differently.

GMO: At least one example he can think of is the branch service rule; that was voted by a motion and carried to eliminate [trails off, what?], to allow branche services essentially, on your own property as long as it is one deeded parcel; the edit was never written up successfully and he doesn't think made it into even the most current set of WD rules. That is one board action he knows that was taken and has been the policy WD has been operating under that wasn't adequately captured in the rules and regs.

VP: Substitute motion: replaces "prior to the June meeting" with "at GMO's earliest convenience" and "at the June meeting" with "at the next meeting thereafter."

GMO: Believes Rules and Regs typically are decided by the directors; he doesn't know that Mr. Bill Kavanaugh or himself ever made any rules, so updating, GMO doesn't want to exceed the authority he perceived he had before.* See Endnote 10.

VP: Is he suggesting the motion uses the language, "bring into alignment with actions/board changes"?

President: What is being sought is for the GMO to update what's occurred compared to with what's in writing.

VP: So that when WD looks at them, everything is accurate to this point, so WD can refer to that.

VP: Restates the full substitute motion; clarifies that "errors" in last sentence refers to typos, etc.

President: Or a different person made the motion.

CFO: So does GMO or anyone know how far back the WD has minutes somewhere? There should be parameters, but does not know what exists. There are boxes of files, but where is the motion going?

GMO: The rules available are not long; can easily be read in one sitting; are straightforward; he believes the task is to compare them to the current operating procedures as best the GMO understands them, and where there are discrepancies, bring them to the Board's attention.* See Endnote 11.

VP: Yes, whatever the Board has changed in there at some point along the way, bring it into alignment with the current...

CFO: Would that mean going back in the minutes as far as GMO has been here? To 1986? CFO doesn't know where as the board is going to ...

GMO: Believes that GMO is well enough versed in the WD rules and regs to know if there is stuff in

there that isn't—and the way the WD operates, to know anything that is not how the WD does it, vs. what's actually written.* See Endnote 12.

GMO: So, the plan to execute this request wasn't to dig back through a bunch of minutes? GMO is pretty sure he is on top of everything that has happened since GMO has been here; GMO would take that as his charge, to compare the current WD policies as GMO understands them to what is written in the rules and regs.* See Endnote 13.

President: It would be a lot of work to go back and check thru all the papers and try to figure out if there was some action suggested and voted on and then dropped because it didn't get picked up off the record or nobody took charge; that's one of the concerns the board has, looking back is, yes, it was supposed to have been done this way and it's not being done.

CFO: If Board does that, it can simply put in the minutes, the GMO has been here since this date and board has been here since this date and WD is updating the minutes (rules and regs?) with the information collected, that we believe we all have—how would the WD go about making that, looking back, to where we're starting from this point forward because we don't even know what anybody meant by the stuff they wrote in the 1989 or whatever until..

VP: It is a good idea to know that our rules and regs really are real because if there is ever a lawsuit that is the big thing that we have to fall back on, so it is agreed that the GMO should update them to the best of his knowledge and information which is probably pretty extensive, but VP also is going to move in a separate motion that WD starts getting all the minutes and records uploaded in digital format and possibly as that is happening there can be a collaborative process with conforming the rules and regs just to see if there was—it would be really good to have some kind of standing if need be, other than just, “Well the board remembers this, the operator remembers that;” that probably works to run the WD ok, but if it ever comes down to push and shove, people do seem to like lawsuits at times.

President: There is a motion on the floor. Is the motion being withdrawn or replaced?

VP: Offers a substitute motion: Moves that the GMO bring all WD rules and regulations up to date to the best of his knowledge and information and provide each board member and the secretary with a revised copy at his earliest convenience, and that the revised and up-to-date copy be adopted at the next meeting thereafter, with the President and Secretary having *post facto* authority to correct obvious grammar or typo errors brought to their attention.

President: Doable? And that's print out a new rules and regs.

CFO: Scribble on it (indistinct).

Motion carried.

RESOLVED: That the GMO bring all WD rules and regulations up to date to the best of his knowledge and information and provide each board member and the secretary with a revised copy at his earliest convenience, and that the revised and up-to-date copy be adopted at the next meeting thereafter, with the President and Secretary having *post facto* authority to correct obvious grammar or typo errors brought to their attention.* See Endnote 14.

President. Motion re the digital?

VP: Yes, moves that all records not currently at the office be brought to the office here and that the GMO begin uploads of the WD minutes and records with the goal, as practicable, to accomplish two years' worth of records per month, with a monthly progress report to the board, for eventual placement of records on a website.

BK: All bookkeeping records are in a file cabinet in her home office.

President: Are there other records in a storage unit? Or everything that you know of...

GMO: Everything he know that exists is in the other room.

President: To BK—BK has records? Financial.

BK: Financial records. BK keeps the current fiscal year and also usually keeps prior fiscal year to refer to in case there is a question on something.

President: Is VP referring to those records as well?

VP: Yes, director's reports, things that go along with minutes, meetings.

BK: No, BK has a physical copy, but is not a holder of those. BK has bookkeeping records and records needed for her daily tasks.

VP: Like your journals, etc.?

BK: Electronic entries. Invoices, billing information, sheets, billing reports BK runs for billing, checks.

VP: That's a good point. Does the BK have a suggested amendment that would seem appropriate to use. WD doesn't need everyone's private information, account records (being uploaded).

BK: Can be more specific—move that all meeting minutes, director's reports and related monthly financial reporting, that is kept in the office, vs. all records. Then within the rules and regs eventually when they are redone. All prior year financial records be kept in the office, don't say all records, but that all minutes, directors' reports and applicable financial reports be kept in the office.

President: Don't rules and regs already state that.

VP: It's vague.* See Endnote 15.

President: Remembers reading all records be kept at the district office and available if somebody, a user, consumer came to ask to see them or get a copy of them.

CFO: Electronics.

President: Electronics weren't covered in the motion?

VP: With consensus of board, would like to move that our BK write up the appropriate motion for the next meeting, as BK has good understanding and knowledge of how to do that.

BK: Not sure exactly what is being asked. As far as minutes and their upload, rules and regs update and minutes and records uploads. BK can check with Ms. Wheeler to see if she may have submitted them to the county and the county hasn't done anything with them. Before going thru double-submitting of same to county.

GMO: Is the intent of the motion for GMO to digitize and organize all the posthumous records for as long as we have paper records. In two months.

VP: No, eventually. As time permits.

VP: Substitute motion: BK and VP work on the motion to bring to the next meeting, and in the meantime, BK will check with Ms. Wheeler.

Motion carries.

RESOLVED: That BK and VP work on a motion to bring to the next meeting regarding records to be uploaded to the public, and in the meantime, BK will check with Ms. Wheeler to see what if anything she has already submitted to the county.

CFO: What was the other thing moved to the next meeting? Secretary job search?

VP: Yes.

President: Copy card.

VP: Moves that GMO obtain and maintain a copy card at UPS Store in CFalls (\$40/1000 copies), to be used for major copying projects at his discretion...

Discussion as to what is currently printed. GMO prints paper requests—not a lot of them, prior to VP's recent request* See Endnote 16; a lot of that was handled electronically.

President: Is this discussion on the motion?

VP: Will finish motion and then address the clarification.

Moves that GMO obtain and maintain at UPS Store in CFalls, a \$40 copy card (1000 copies) to be used for major copying projects at his or board's discretion, and obtain for the board a copy of *Parliamentary Procedure at a Glance, New Edition*, and comb-bind it in time for the June meeting.

Discussion re *PP at a Glance*.

BK prints Directors' Reports on her own printer @14 cents/photocopy. Can it be emailed to UPS Store to have them print it and someone picks it up. Yes. Driving to CFalls to pick it up would cost more and take more time. (The discretion factor.) Would be used for major projects (public meeting photocopies were all done on the Coram district's copier.* See Endnote 17. Explanation of how the

card works, and that color copies are 12 cents each when taken off the card. May want to put all names on the card account.

GMO: States that Ms. Allen's requests as member of public for paper copies, were mostly for things for which no paper copy existed, only digital. GMO doesn't have originals for most of the records requested; it's electronic and was all extracted from emails, and GMO has to put that into a PDF format to print it.* See Endnote 18.

Public comment from TM: He has had whole books printed there from off a thumb drive.

VP: Could send a file ahead of time as well.

CFO: Would GMO use it or would he not really need it?

GMO: Seldom. But 4 cents/copy is much cheaper than the off-brand cartridges he uses in the office printer. Wonders if there is an expiration date on the card—apparently not, copy cards have gone thru a change in store owner and many changes in cards.

President: Everyone clear on motion? All in favor?

Motion carries.

RESOLVED: That GMO obtain and maintain at UPS Store in CFalls, a \$40 copy card (1000 copies) to be used for major copying projects at his or board's discretion, and obtain for the board a copy of *Parliamentary Procedure at a Glance, New Edition*, and comb-bind it in time for the June meeting.

GMO: Clarifies on parliamentary procedure details, re addressing everything to chair, or not.

President: That's how it's done in the legislature, but seems to be working as is. Board will work its way around these things.

VP: Board may be sending out some newsletters at some point and copy card will likely be used for those.

Agreement.

President: Next, financial cost effectiveness study.

VP: Moves the GMO study all things financial in the operations side of things as to cost-effectiveness, including things Mr. Rowntree was looking at—insulation, separate electric bills, etc., and what can be done in the district to become more wisely conservative; short term and long term goal categories; report to the board to be given monthly as study is ongoing.

President: Understand that? All in favor?

Motion carries.

RESOLVED: That the GMO study all things financial in the operations side of things as to cost-

effectiveness, including things Mr. Rowntree was looking at—insulation, separate electric bills, etc., and what can be done in the district to become more wisely conservative; short term and long term goal categories; report to the board to be given monthly as study is ongoing.

CFO: The board is asking the operator to bring us ideas for saving money or smart ways we should be spending money to save other money, is that right?

VP: Anything wisely cost effective.

President: Auditors for presentations. Several meetings ago, on the agenda was Steve Stahlberg, was supposed to be at a meeting to present us with option for an audit.

BK: SS never called her back, even to confirm that he would be at a Board meeting. Then BK was gone 6 wks.

VP: Moves the GMO interview four or five auditors and pick the three best possibilities to do presentations for the board in July, August, and September, one at each meeting.

BK: No actual looking at the books at that point [of auditors' attendance at meeting], just have them come in and?

President: So we can decide who to pick as an auditor?

CFO: With the cost.

VP: Educate the board.

BK discusses two different possibilities—full audit and review of the books; latter is much less than full audit in both scope and price.

VP: GMO is to find those in his judgment suitable to come and educate us on the different things we would need to know about an audit.

President: And a bid or cost.

VP: Amended to include a bid or cost.

CFO: When was the last full audit?

BK: Wants to say it was 2011.

GMO: Used to have to have annual audit until paid off one of the loans, doesn't remember which or when. Does not know how comprehensive those audits were compared to what an external auditor would normally look at, because it was for a specific function may have been in line with whatever the goal was of whoever required it.

BK: 2011 was the last one she saw—BK had gone and checked records.

President: All in favor of the motion?

Motion carries.

RESOLVED: That the GMO interview four or five auditors and pick the three best possibilities to do presentations for the board in July, August, and September meetings, one auditor at each meeting.

GMO: Wants motion re-read, esp as he will be involved in executing it.

VP: Moves the GMO interview four or five auditors and pick the three best possibilities to do presentations and bids for the board in July, August, and September meetings, one auditor at each meeting.

President: Bookkeeper's tutorial for new directors, date and time. Is that something we want to wait for a full board?

VP: Probably be pretty busy with full board business for quite a few meetings yet, so if there is a convenient time for the board and BK to get together. Wrap up the good presentation begun at the last meeting.

President: Does the next meeting set the budget or the one after?

BK: Board can discuss budget at next meeting and vote then, but if it goes on into August that's ok as well, as long as it gets finalized by August.

CFO: Board may not know what to ask, so it would be what BK thinks we need to know.

President: Wouldn't hurt to go thru the Directors' Report and P&L explaining line by line showing how each item is arrived at by the numbers.

VP: With the water "bible" it addressed types of budgets and talked about line item vs. program budget and would like to understand the difference especially as it suggested program budget can be really helpful, so would BK explain to the Board, pros and cons of both systems.

BK: Will do that during the tutorial as BK will need to research it.

Tutorial is set for 8 June 2020, at 10am-12pm.

President: GMO tour and tutorial for new directors, date and time.

GMO: A go-thru everything quality presentation. Probably under an hour depending on questions.

CFO: If telemetry will be discussed at next meeting, would like the tour ahead of that.

Tour is set for 16 June 2020, at 1pm.

President: GMO/Directors conversation.

VP: Moves an executive session at 7:58pm.

Decision to take up timesheets and monthly summaries first.

VP: Withdraws executive session motion.

VP: Moves that the WD employees provide the board with detailed time sheets, monthly mileage on behalf of the WD, and summaries, using Bill Kavanaugh's records as an example of what the board is looking for.

BK: Presents a summary of monthly time and asks if that is what the board is looking for, or does the board want an actual time card, as BK does not work from a set time to a set time.

Board examines it. It is BK's synopsis from April.

VP: Board is looking for something that gives an accounting of the number of hours like Mr. K.'s old records, and the intent is not to be an ongoing forever thing but something that gives the board a good grasp of what sort of hours each of the employees is putting in each month.

BK: Board would like hours assigned to each of her categories? So many minutes/phone call, etc.

VP: Yes.

President: An estimate or average.

VP: Don't have to punch a time clock just give an accurate estimate or something that's specific, accurately guessed.

Repeats motion.

President: All in favor?

CFO: Does Mr. K. have records here? Those types of things are available to them?

President: Included with the minutes in the past.

VP: Mr. K. would do a summary every month, but that summary was pulled from his actual and detailed time logs, and so this is detailed time logs and time sheets such as Mr. K. did when he was keeping records of his activity for the board.

President: That take care of it? All in favor?

Motion carries.

RESOLVED: That the WD employees provide the board with detailed time sheets, monthly mileage on behalf of the WD, and summaries, using Bill Kavanaugh's records as an example of what the board is looking for.

VP: Does BK do mileage for board at all or how does she handle that?

BK: Doesn't do mileage.

VP: Because BK is on straight salary.

President: Good? Directors' conversation with GMO. That's where you want the executive session?

VP: So moved. 8:06pm.

2:06:00 on recorder.

Executive session will be transcribed at later date. 1 hour 17 min.

Meeting adjourned at 9:23pm.

RESOLVED: Meeting is adjourned.

Respectfully submitted and attested by current Directors in absence of Secretary:

President: Douglas T. Wagner 6/18/20

Vice President: Vivian Allen 18 Jun 20

Chief Financial Officer: James M. Ooster 6/22/20

Director: [Signature] 6/22/20

Endnotes follow on next two pages.

Endnotes, 28 May 2020 Special Meeting

Note 1: Mr. Rowntree had been illicitly appointed to the Board in January 2020, such action never rectified. Mr. Rowntree may have at some point questioned his own appointment, see his public comments re potential board actions being invalidated if not properly done.

Note 2: Mr. R. clearly understands that things not done properly or legally are thereby null.

Note 3: Montana Code Annotated addresses all of the above concerns clearly. The Board is in compliance with MCA.

Note 4: A digital recorder has been purchased by GMO for the Water District, to be used for board meetings while the Board is without a secretary.

Note 5: Current board was placed in the position of having no secretary by previous board which had illicitly been using a board member in that role for minutes and other matters.

Note 6: No second is necessary for nominations.

Note 7: \$80/meeting.

Note 8: BK later stated she could pay most of the WD bills online or by some other method not needing a signed check.

Note 9: It should be noted that former director Ms. Wheeler, within the last two years, did a presentation to the board on all the changes in the Rules and Regs since 2011. This was noted in the minutes, but it is unknown what happened to the presentation. No details of that presentation were recorded in the minutes.

Note 10: Switch off topic? The motion clearly stated go through the minutes to bring the (out-of-date) rules and regs up to date.

Note 11: Question left unanswered. Instead substitutes completely different thought and wording from the motion. The lack of straightforwardness in some of the rules has been the subject of much debate and seeming exception-making, upon consultation with previous minutes in years past.

Note 12: Article I "The following rules and regulations are a part of a contract with every property owner...to be bound thereby." Every new water user, by virtue of becoming a user, enters into a legal contract with the water district. Is it correct to view a legal contract with a trusting member of the public in the manner proposed (based on GMO's recollections vs. actual historical conformation)? This would essentially require the new (or existing) contractee to be in compliance with and give legal consent to a unknown (to them) and unknowable (unwritten—the exact terms existing only in one person's recollection) contract, and even were that recollection put in written form without accurate historical backing, debatable in some very important (but unknown) aspects. The most basic question: Is this legal?

Note 13: Complete change from the intent of the motion to conform the Rules and Regs to reflect the actual historical changes resolved by the Board.

Note 14: At adoption it will have to be notated that it is unknown if these rules and regs are in actual compliance with WD official action and that that must needs be rectified as soon as possible; that the rules and regs are based solely on the GMO's recollections and current practices, and that the board is indemnified from any lawsuits arising out of GMO recollection vs. actual demonstrable documentation of when that rule or reg was put into effect in a complete historical context.

At some point when the policies and rules committee has an accurate and historically conformed copy of the rules and regs to work with, directors may then amend, or not, a *bona fide* and historically accurate, documented set of rules and regs as they believe to be in the best interest of all concerned.

At this point, the directors will also need to review all water accounts which were set up or in any way changed outside accord and compliance with the District Rules and Regs at that timeframe, and determine what must be done by the District and/or the user to correctly rectify each situation.

Note 15: Articles IV and V of the rules and regs do not require minutes, etc., be kept at the office, nor that they be available to the public.

Note 16: To date the request is over 90-days-old and largely unfulfilled.

Note 17: Copies done on the Coram printer are covered in the \$10/month cost sharing arrangement with the Coram Water District. Purchase price of paper used in this copier is split with Coram WD.

Note 18: Does this mean there are no extant originals signed by both the president and secretary as MCA requires? One digital offering of minutes appeared to be a draft version rather than the final official end product.

END